

STATE PROPERTIES COMMITTEE

Wednesday, July 5, 2006

The meeting of the State Properties Committee was called to order at 10:02 a.m. by Chairman Jerome F. Williams. Other members present were Mr. Robert Griffith representing the Rhode Island Department of Administration and Genevieve Allaire Johnson, Esquire, representing the Department of Attorney General and Robert Kay, Public Member. Also in attendance were Arn Lisnoff and Kevin Nelson from the Rhode Island Department of Administration; Valeria Bianco, Paul Carcieri, Tony DeQuattro and David Coppotelli from the Rhode Island Department of Transportation; John Faltus and Brian Wagner from the Rhode Island Department of Environmental Management; Steven Whitney from the Senate Fiscal Office; and David Lang from Ground Water Consultants, Inc.

NEW BUSINESS – Chairman Williams provided copies of Article 38 regarding the amendment, which was passed as part of the budget, to the members of the State Properties Committee. Chairman Williams indicated Article 38 states that any lease, rental or extension of a rental agreement, which is both longer than five (5) years and exceeds Five Hundred Thousand and 00/100 (\$500,000.00) Dollars, will be subject to the approval of the General Assembly prior to the approval of the State Properties Committee. Chairman Williams indicated that this amendment affects the Department of Business Regulation's lease. Therefore, the Request for Proposal will likely be amended in order to meet the requirements of Article 38.

Chairman Williams stated that the State Properties Committee has recently approved the use of Station Park for some large events. Chairman Williams indicated

there were some issues relative to the Fourth of July celebration, which took place on Sunday. The City of Providence and TG Productions estimated a crowd of ten thousand (10,000), however, over twenty thousand (20,000) people attended the event. The Capitol Police indicated that there was a significant amount of trash at both Station Park and on the State House lawn, which took the entire night to cleanup. Chairman Williams indicated that in the future, when requests for use of Station Park for large events come before the State Properties Committee, the Committee should mandate that both the Providence Police and Capitol Police be engaged to patrol Station Park and the surrounding areas. Chairman Williams stated that at an earlier event the grounds of Station Park were significantly damaged as a result of vehicles driving over the saturated ground. Therefore, the State of Rhode Island will withhold the damage deposit in order to cover the costs of repairing the lawn to its previous state.

Chairman Williams mentioned that pursuant to state law the State Properties Committee is required provide an annual report of its activities. Therefore, Ms. Rhodes will be preparing a draft of said report for review by the members of the State Properties Committee.

The next meeting of the State Properties Committee is scheduled to be held on Tuesday, July 18, 2006. A motion was made to approve both the minutes from the State Properties Committee Meeting and the minutes from the Executive Session of the State Properties Committee Meeting of June 20, 2006, and the minutes from the special meeting of the State Properties Committee of Friday, June 23, 2006. This approval was subject to a correction at page two (2) of the special meeting minutes, which will amend

the time at which the fireworks display will commence from 6:30 p.m. to 9:30 p.m. A motion to approve was made by Ms. Allaire Johnson and seconded by Mr. Griffith.

Passed Unanimously

ITEM A – Department of Transportation – A request was made for conceptual approval to convey approximately 5.57 acres of land located at the southwesterly corner of Route 5 and Route 113 in Warwick, Rhode Island to Carpionato Properties, Inc. Ms. Bianco provided an aerial photograph and a map of the subject property. Ms. Bianco explained that Carpionato Properties, Inc. is desirous of purchasing this property to increase the size of its existing lot. Carpionato Properties, Inc. is the only abutter to this property. Ms. Bianco indicated that the entire area, which is for sale is 5.57 acres, however, the Department of Transportation will retain a 1.3 acre portion of the property in escrow as a staging area for the ongoing construction in this area. However, once the construction is complete, that portion of the property will be released to Carpionato Properties, Inc. Ms. Bianco indicated that the property has not yet been appraised; however, the Department of Transportation is having the parcel of land appraised for both the assemblage and the stand alone value. Chairman Williams asked that as this is a large parcel of land, why it is not being offered at public sale. Ms. Bianco indicated selling the property at the greatest value to the only abutter seems to be the most logical option. Chairman Williams expressed concern that the Department of Transportation has sold a significant amount of land to Carpionato Properties, Inc. It may appear that Carpionato Properties, Inc. has an inside to track relative to the sale of large parcels of land by the State of Rhode Island. Chairman Williams further indicated that as this large parcel of land is located in a prime location, it should be offered at a public bid.

Chairman Williams stated that he does not have a problem with the Committee granting conceptual approval to convey the land; however, he is not convinced that conceptual approval to convey the land should be targeted specifically to Carpionato Properties, Inc. Ms. Allaire Johnson echoed the concerns of Chairman Williams and indicated that she would vote to grant conceptual approval, although said approval would not be specific to Carpionato Properties, Inc. Chairman Williams asked what Carpionato Properties, Inc. intentions were relative to the property. Ms. Bianco indicated that they wished to beautify the entire area and extend its lot. Chairman Williams believes there must be a financial interest relative to the purchase of this land. Chairman Williams doubted that Carpionato Properties, Inc. wishes to purchase the land simply to preserve it. At some point, Carpionato Properties, Inc. will expect a return on its investment. Ms. Bianco stated that Carpionato Properties, Inc. may expand the hotel, construct a ballroom or something to that effect. Mr. Griffith stated that he would also vote in support of conceptual approval to convey the property, but did not wish to designate a specific buyer. Mr. Griffith also indicated that relative to the use of the property by another developer or by Carpionato Properties, Inc., he believes any motion to grant conceptual approval should be subject to the recommendations of the Statewide Planning relative to its requirement of a permanent buffer on the parcel of land. Mr. Griffith stated it would be beneficial if that condition is part of any initial understanding as well as part of any purchase and sale agreement or other final document. Ms. Bianco indicated that she has consulted with Kevin Nelson and they will make the permanent buffer part of the permanent deed restriction. Chairman Williams suggested the appraiser, Keith White,

prepare a summary of both the assemblage and the stand alone appraisals and that Ms. Bianco return to the State Properties Committee at that time to further discuss this item. A motion was made to grant conceptual approval for the disposition of 5.57 acres of land subject to the restrictions requiring a buffer as set forth in the letter from Statewide Planning dated July 3, 2006 by Ms. Allaire Johnson and seconded by Mr. Griffith.

Passed Unanimously

ITEM B – Department of Transportation - A request was made for approval and execution of a Sign License Agreement between the Department of Transportation and Hopkinton Investments, LLC to allow the Licensee to erect a sign displaying the name of its business. Mr. Copetelli explained that this is a month to month revocable Sign License Agreement with Hopkinton Investments, LLC. for the use of two hundred (200) square feet of State property to erect business sign for The Hopkinton Golf Pavillion to be located at the corner of Main Street (Route 3) and Frontier Road in the Town of Hopkinton. Mr. Copetelli indicated this is a five (5) year license agreement at the annual rate of Six Hundred and 00/100 (\$600.00) Dollars. At the end of the third (3rd) year, the fee will be reevaluated. The request was presented and approved by the Land Sales Committee on April 10, 2006. Mr. Copitelli provided a map and a photograph of the area to the members of the Committee. Mr. Griffith was unclear as to the exact location of the subject property. Mr. DeQuattro clarified its location for Mr. Griffith. Mr. Griffith asked if the sign will be visible from I-95. Mr. DeQuattro indicated that signs are not allowed to be visible from I-95. Mr. Griffith indicated he is aware of this restriction but wanted to be sure of the exact location of the subject property. A motion was made to approve by

Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM C – Department of Environmental Management - A request was made for approval of and signatures on a License Agreement between the Department of Environmental Management and Eugene J. Pezzulli and Auto's of the World for a car show to be held at Goddard Memorial State Park in Warwick on Saturday, July 29th and Sunday, July 30th, 2006. Mr. Faltus explained that this is the third year Mr. Pezzulli and his organization, Auto's of the World, has requested approval to hold a charitable truck and car show at Goddard Memorial State Park. Mr. Faltus indicated that there have been no problems relative to this event in the past. Mr. Faltus provided copies of the certificate of insurance to the members of the State Properties Committee. Chairman Williams asked if the State of Rhode Island requires a fee for this event. Mr. Faltus indicated that as Auto's of the World is a non-profit organization and the area of the park which utilized for this event is a 'no-fee area,' the Department of Environmental Management does not require a fee. Mr. Griffith asked if the vehicles will be parked on hardscape. Mr. Faltus indicated the cars will be parked on grass. Mr. Faltus stated that the License Agreement contains a provision which states the Licensee is responsible for any and all damage and will repair or restore the license premises to its original condition. Mr. Griffith asked if the Department of Environmental Management assessed a damage deposit. Mr. Faltus indicated that the Department of Environmental Management does not require a fee for any event held on State park property. Mr. Faltus further indicated that the Department of Environmental Management did not have a mechanism to process damage deposits as the Department of Environmental Management

does not have restricted receipt accounts. Chairman Williams suggested that Mr. Faltus contact the Department of Administration's Division of Facilities Management in regard to questions regarding a proper mechanism relative to damage deposits. Mr. Faltus stated that the provision of the Department of Environmental Management's standard license agreement relative to damages has adequately protected the best interest of the Department of Environmental Management. Mr. Kay asked if Auto's of the World is filed as a non-profit organization. Mr. Faltus indicated that Auto's of the World is filed with the Office of the Secretary of States as a non-profit organization. Mr. Kay asked whether the Department of Environmental Management receives an accounting as to the proceeds and their distribution. Mr. Faltus indicated that under the terms of the License Agreement, Auto's of the World must provide the Department of Environmental Management with a financial statement relative to any and all proceeds. Mr. Faltus indicated that last year the charitable donation was made to the Make a Wish Foundation and the previous year the donation was made to St. Jude's Children's Hospital. After review of the License Agreement, Chairman Williams indicated that in accordance with Exhibit A, "Rhode Island Department of Environmental Management's employees will conduct traffic control on Ives Road and on park grounds." Chairman Williams asked if the Department of Environmental Management's standard workforce will provide said services, or whether the Department of Environmental Management will need to engage additional workforce in order to accomplish this detail. Mr. Faltus indicated that the standard workforce will be sufficient. Mr. Faltus explained that in accordance with the License Agreement, Auto's of the World is required to supply, at its cost, Department of Environmental Management Police Officers. The exact number of officers necessary will

be determined when the Department of Environmental Management is informed of the number of registrants. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM D – Department of Environmental Management - A request was made for approval of and signatures on an Access Agreement between the State of Rhode Island Department of Environmental Management and Blasland, Bouck & Lee, Inc., working on behalf of CLL Custom Manufacturing, Inc. along the Blackstone Bikeway in Cumberland, Rhode Island. Mr. Wagner introduced David Lang of Ground Water Consultants, Inc., who supervises the parties seeking access to the bikeway. Mr. Wagner stated that he has not yet received the executed copies of the Access Agreement. Mr. Lang explained that the documents were inadvertently forwarded to Curt Connor's office; however, the signed documents will be forwarded to the Department of Environmental Management forthwith. Mr. Wager provided the members of the State Properties Committee with a portable document format (PDF) copy of the Access Agreement signed by Blasland, Bouck & Lee, Inc., and the Assistant Director of the Department of Environmental Management, Terry Gray. However, Mr. Wager explained that following the time the Department of Environmental Management filed its application package with the State Properties Committee, there were continued negotiations which resulted in some revisions to the Agreement. Mr. Wagner stated that the most significant change was to page 4, which Blasland, Bouck & Lee, Inc. requested some additional description relative to the nature of the access which was being authorized. Mr. Wagner indicated that one of the major differences between this Agreement and the previous access agreements signed

by the State Properties Committee, is that this Agreement does not authorize the use of motor vehicles on the bikeway to access the areas, unless the work that is being done requires heavy equipment and a light truck would be required to transport said equipment. In that case, Blasland, Bouck & Lee, Inc. would have to approach the Department of Environmental Management with a proposal ten (10) days in advance and obtain the Department of Environmental Management's approval. The second major change is that there is a specific drop-dead date after twenty-four (24) months which automatically denies any further extensions. Mr. Kay asked if the Towns of Lincoln and Cumberland have been notified of this Access Agreement. Mr. Wagner indicated that he did not believe the towns had been notified. Ms. Allaire Johnson asked whether the Department of Environmental Management was comfortable with the provision whereby the Department must respond to a request for vehicular access within two (2) days or the request is automatically approved. Mr. Wagner indicated that the Department is comfortable with said provision as a system will be implemented to ensure no request falls through the cracks. Additionally, the Department of Environmental Management does not expect frequent requests of this nature. Mr. Kay reiterated that the Towns of Lincoln and Cumberland should be notified of the Access Agreement. Mr. Lang indicated the towns are aware of the ongoing activities. Mr. Griffith concurred that the towns should be notified relative to the Agreement. Mr. Wagner indicated he will forward a cover letter together with a copy of the Access Agreement notifying both towns of the Access Agreement and associated activities. Mr. Griffith asked if the investigative phase of this project will be complete and whether the responsible parties can move forward with the site remediation schedule. Mr. Wagner could not predict, with absolute

certainty, whether the investigative phase will be complete by the end of the twenty-four (24) month term, but indicated that the technical personnel seem to believe that twenty-four (24) months is a reasonable amount of time to determine what cause of action is required. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM E – Department of Administration - A request was made for an easement to allow the Chariho School District to run a pipe into a fire suppression water storage tank that is to be installed on the grounds of the Chariho Regional Career Education Center. Mr. Lisoff explained that the State of Rhode Island owns a building on the grounds of the Chariho Middle and Senior High School. Mr. Lisoff requested conceptual approval for an easement to allow the Chariho School District to cross state property and tie into a 40,000 gallon fire suppression water tank. The State of Rhode Island is required to install this tank as there is no town water on the property. In return for allowing Chariho School District to tie into the tank, it will allow the State of Rhode Island to traverse Chariho property and connect to a well at the Chariho Middle School. Said connection will provide a potable public water supply for the vocational school building as the current supply is not fit for consumption. Engineering studies have determined that the Chariho Middle School has a water supply which is clean and adequate to provide drinking water to the vocational school building. Mr. Kay asked who will own the fire suppression water tank. Mr. Lisoff indicated the State of Rhode Island will own the tank. Mr. Griffith stated that approximately ten (10) years ago the vocational school's water supply, was contaminated. Although it was never proven, it appeared that the contamination was

a result of run-off from the Middle School's athletic field. At great expense, the State of Rhode Island has been providing bottled water to the faculty, staff and students of the vocational building for the past ten (10) years. Mr. Griffith indicated this situation was due to the adamant refusal of the Chariho School District to allow the State of Rhode Island to tie into its well. Mr. Griffith found it amusing that as the State of Rhode Island now has something to offer the Chariho School District, it has reconsidered its previous refusal and this situation will finally be resolved. Mr. Griffith's understanding is that the fire suppression water tank will be paid for through some of the bonded funds in the capital plan; however, the plan also refers to a well. Mr. Griffith asked if the State of Rhode Island is planning to drill a new well. Mr. Lisnoff indicated that the tank will be paid for through bond funds and that State of Rhode Island will not drill a well. Mr. Griffith asked what the source of the water supply for the fire suppression tank is. Mr. Lisnoff indicated that water will likely be supplied by the old well. Mr. Lisnoff indicated the old well provides plenty of water; however, it is not drinking quality water at all times. Mr. Griffith made a motion to approve and seconded by Mr. Kay.

Passed Unanimously

ITEM F – Department of Administration – This item was deferred to the special meeting of the State Properties Committee to be held on Friday, July 7, 2006.

ITEM G – Department of Mental Health, Retardation and Hospitals – This item was deferred to a future meeting of the State Properties Committee

ITEM H – Department of Health - This item was deferred to the special meeting of the State Properties Committee to be held on Friday, July 7, 2006.

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:13 a.m. A motion was made to adjourn by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

Holly H. Rhodes, Executive Secretary